

THE RANFURLY TRUST

Financial Report for the year ended 30 September 2009

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AUDIT REPORT

TO THE TRUSTEES OF THE RANFURLY TRUST

Page 1

We have audited the financial report on pages 3 to 8. The financial report provides information about the past financial performance of The Ranfurly Trust (Trust) and its financial position as at 30 September 2009. This information is stated in accordance with the accounting policies set out on pages 6 and 7.

TRUSTEES' RESPONSIBILITIES

The Board of Trustees is responsible for the preparation of a financial report which fairly reflects the financial position of the Trust as at 30 September 2009 and the results of its operations for the year ended on that date.

AUDITOR'S RESPONSIBILITIES

It is our responsibility to express an independent opinion on the financial report presented by the Board and report our opinion to you.

BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- ❖ the significant estimates and judgments made by the Board in the preparation of the financial report, and
- ❖ whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors we have no relationship with, or interests in, the Trust.

UNQUALIFIED OPINION

We have obtained all the information and explanations we have required.

In our opinion:

- ❖ proper accounting records have been kept by the Trust as far as appears from our examination of those records; and
- ❖ the financial report on pages 3 to 8.
 - complies with generally accepted accounting practice;
 - gives a true and fair view of the financial position of the Trust as at 30 September 2009 and the results of its operations for the year ended on that date.

Our audit was completed on 19 January 2010 and our unqualified opinion is expressed as at that date.


CARLTON-DFK
AUCKLAND

The Ranfurly Trust

Directory as at 30 September 2009

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Purpose of the Trust: To ensure the continued existence of Ranfurly Veterans Home and Hospital to serve the needs of at risk veterans.

Nature of activities: To develop strategy and to raise funds to support the purposes of the Trust and to ensure that the special needs of veterans can be met in the future.

Members of the Trust: D McGregor
G McKay
G Moyle
D Turner
J McGuire

Chief Executive: M Martin

Address: 539 Mount Albert Road
Mount Roskill
Auckland 1042

Auditors: Carlton-DFK
Chartered Accountants
Level 3, 135 Broadway
Newmarket
Auckland 1023

Bankers: BNZ
Mount Roskill

The Ranfurly Trust

Income Statement

For The Year Ended 30 September 2009

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| | Note | This Year \$ | Last Year \$ |
|------------------------------|-------------|-------------------------|-------------------------|
| Income | | | |
| Fees | | - | 10,736 |
| Donations & grants | 7 | 229,831 | 92,767 |
| Interest | | 61,268 | 86,778 |
| Other | | 45,726 | 62,300 |
| | | <u>336,825</u> | <u>252,581</u> |
| Expenses: | | | |
| Premises Costs | | | |
| Depreciation | | 68,092 | 66,094 |
| Insurance | | 33,317 | 29,453 |
| Repairs & maintenance | | 15,051 | 8,598 |
| Other property costs | | 3,508 | 3,287 |
| | | <u>119,968</u> | <u>107,432</u> |
| Administration Costs | | | |
| Salaries & wages | | 114,494 | 99,000 |
| Audit fees | | 2,600 | 3,300 |
| Development costs | | 240,701 | - |
| Interest | | - | 317 |
| Other administration costs | | 30,529 | 26,286 |
| | | <u>388,324</u> | <u>128,903</u> |
| Total expenses | | <u>508,292</u> | <u>236,335</u> |
| Net surplus/(deficit) | | <u>(171,467)</u> | <u>16,246</u> |

The accompanying notes form an integral part of these financial statements.

The Ranfurly Trust

**Statement of Movements in Equity
For The Year Ended 30 September 2009**

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| | This Year \$ | Last Year \$ |
|-----------------------------------------------------|-------------------------|-------------------------|
| Trust equity at the beginning of the year | 5,716,138 | 5,699,892 |
| Net surplus/(deficit) for the year | (171,467) | 16,246 |
| Total recognised revenues and expenses for the year | (171,467) | 16,246 |
| Trust equity at the end of the year | 5,544,671 | 5,716,138 |

The accompanying notes form an integral part of these financial statements.

The Ranfurly Trust

Balance Sheet

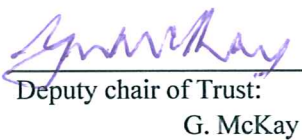
As At 30 September 2009

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| | Note | This Year \$ | Last Year \$ |
|-----------------------------------------------|------|------------------|------------------|
| Trust Equity | 2 | <u>5,544,671</u> | <u>5,716,138</u> |
| Current assets | | | |
| Accounts receivable | | 206,324 | 4,730 |
| Bank & cash | | 59,345 | 205,339 |
| Bank deposits | | 940,313 | 887,832 |
| GST receivable | | 12,093 | 480 |
| Prepayments | | 5,624 | 5,201 |
| Ranfurly Veteran Care Limited Current Account | 6 | 346,630 | 461,124 |
| Total current assets | | <u>1,570,329</u> | <u>1,564,706</u> |
| Non-current assets | | | |
| Shares in Ranfurly Veteran Care Limited | 6 | 10,000 | 10,000 |
| Fixed Assets | 5 | <u>4,077,161</u> | <u>4,145,253</u> |
| Total non-current assets | | <u>4,087,161</u> | <u>4,155,253</u> |
| Total assets | | <u>5,657,490</u> | <u>5,719,959</u> |
| Current liabilities | | | |
| Creditors & accruals | | <u>112,819</u> | <u>3,821</u> |
| | | <u>112,819</u> | <u>3,821</u> |
| Net Assets | | <u>5,544,671</u> | <u>5,716,138</u> |

For and on behalf of the Trust


 Chair of Trust:
 D McGregor


 Deputy chair of Trust:
 G. McKay

19. 1. 10.
 Date

The accompanying notes form an integral part of these financial statements.

The Ranfurly Trust

Notes to the Financial Statements For The Year Ended 30 September 2009

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1. Statement of accounting policies

Reporting entity

The financial statements presented here are for the reporting entity The Ranfurly Trust. The Ranfurly Trust is incorporated as a trust under the Charitable Trust Act 1957. The financial statements of The Ranfurly Trust have been prepared according to generally accepted accounting practice.

Measurement base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical basis are followed by the Trust, with the exception that certain fixed assets have been revalued.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. For this purpose the Trust has designated itself as a public benefit entity.

The information is presented in New Zealand dollars.

Specific accounting policies

The following specific accounting policies which materially affect the measurement of financial performance and the financial position have been applied:

a) Revenue

Revenue is measured at the fair value of the consideration received or receivable.
Fair value is the actual amount received or receivable.

b) Investments

The shares in Ranfurly Veteran Care Limited are stated at cost.

c) Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation. Land and buildings were revalued on 30/09/2000. Surpluses arising on revaluation are transferred to the asset revaluation reserve.

d) Depreciation

Depreciation has been calculated to allocate the cost or valuation of assets over their estimated useful life as follows:

| | |
|-----------|----------|
| Buildings | 80 years |
|-----------|----------|

e) Receivables

Receivables are stated at their estimated realisable value.

f) Development costs

Costs associated with the proposed Ranfurly retirement village project are expensed to the income statement until it is probable that future economic benefits will flow from the project ie when the project is probable to proceed. Once funding is available then the project can be considered probable to proceed.

The Ranfurly Trust

Notes to the Financial Statements For The Year Ended 30 September 2009

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Specific accounting policies (continued)

f) Income tax

The Trust has charitable status and is exempt from income tax.

g) Goods and services tax

The financial statements have been prepared on a GST exclusive basis with the exception of creditors.

h) Differential reporting

The Ranfurly Trust qualifies for differential reporting exemption as it is not publicly accountable, and it is not large as defined in the Framework for Differential Reporting. The Trust has taken advantage of all available differential reporting exemptions.

Changes in accounting policies.

There have been no changes to accounting policies. All policies have been applied on bases consistent with those used in the prior year

2. Trust Equity

| | This Year | Last Year |
|---------------------------|------------------|------------------|
| Accumulated Funds | 2,703,868 | 2,875,335 |
| Asset Revaluation Reserve | 2,840,803 | 2,840,803 |
| | <u>5,544,671</u> | <u>5,716,138</u> |

3. Accumulated Funds

| | This Year | Last Year |
|--------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 2,875,335 | 2,859,089 |
| Net surplus/(deficit) for the year | (171,467) | 16,246 |
| Balance at the end of the year | <u>2,703,868</u> | <u>2,875,335</u> |

4. Asset Revaluation Reserve

| | This Year | Last Year |
|--------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 2,840,803 | 2,840,803 |
| Revaluation during the year | - | - |
| Balance at the end of the year | <u>2,840,803</u> | <u>2,840,803</u> |

The Ranfurly Trust

Notes to the Financial Statements For The Year Ended 30 September 2009

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5. Property, plant and equipment

| | Cost/Val'n \$ | Accum Dep'n \$ | This Year Book Value \$ | Last Year Book Value \$ |
|-----------|------------------|-------------------|-------------------------------|-------------------------------|
| Land | 1,167,020 | - | 1,167,020 | 1,167,020 |
| Buildings | 3,460,352 | 550,211 | 2,910,141 | 2,978,233 |
| | <u>4,627,372</u> | <u>550,211</u> | <u>4,077,161</u> | <u>4,145,253</u> |

Land & buildings were last revalued on 30/09/2000 to \$4,500,000 based on the independent valuation by registered valuers, Rolle Hillier Parker Limited.

6. Ranfurly Veteran Care Limited

Ranfurly Veteran Care Limited is a company 100% owned by the Trust. It has share capital of \$10,000 (10,000 shares). The Trust continues to hold the land & buildings of the Ranfurly Home and Hospital operations. The Trust funded the initial setup of the company including providing the operational fixed assets and working capital. In return the company provides the trust with administration support. At year end the company owed the Trust \$346,630 (2008: \$461,124).

7. Donations & Grants

| | This Year | Last Year |
|------------------|----------------|---------------|
| Donations | 29,831 | 92,767 |
| Government Grant | 200,000 | - |
| | <u>229,831</u> | <u>92,767</u> |